

Pete Rose's investigator: Never let him back in baseball

JOHN DOWD SAYS HOLDING FIRM ON ROSE'S BAN IS THE ONLY WAY TO
PROTECT THE GAME FROM THE CORRUPTION OF MONEY.

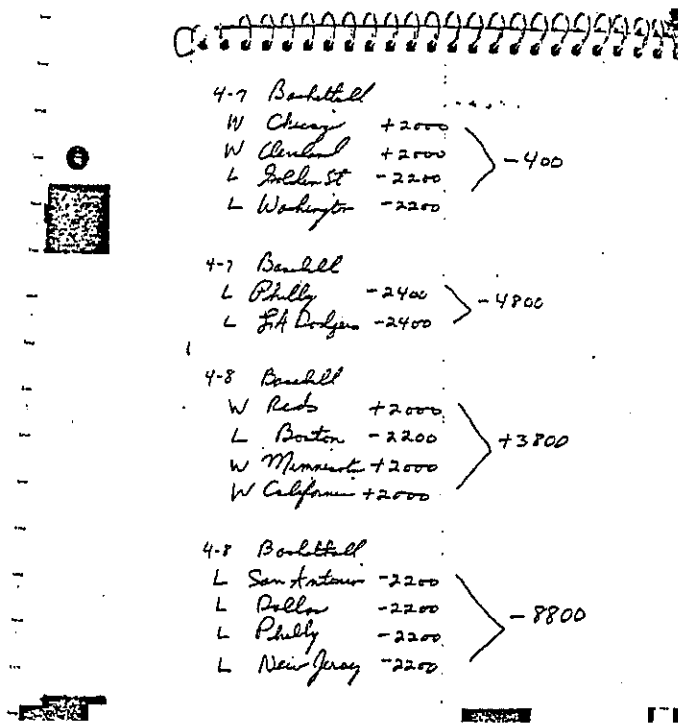
James Pilcher, jpilcher@enquirer.com (/staff/11209/james-pilcher)

Pete Rose is a lot of things to a lot of people. Charming anti-hero. Pariah who doesn't deserve to be. A guy who deserves another chance. A symbol of the way baseball used to be and should still be played. A traitor to the game. A gambling addict whose sickness cost him his life. Lost soul. Charlie Hustle. The hit king, who should be in the Hall of Fame.

But the man who led the investigation of Rose and sat face-to-face with him for two full days of interviews, says today that baseball's all-time hit leader should never be allowed back into the game.

To John Dowd, former special counsel to the commissioner of baseball, hired to probe those now infamous allegations, Rose is the supreme example of why betting on professional baseball is such a sin when done by those within the game itself.

"This (gambling) is just such a terrible business ... it really does infect the game," Dowd told The Enquirer in a lengthy interview last week. "Pete committed the capital crime of baseball.



4-7 Baseball		
W Chicago	+2000	} -400
W Cleveland	+2000	
L Golden St	-2200	
L Washington	-2200	
4-7 Baseball		
L Philly	-2400	} -4800
L LA Dodgers	-2400	
4-8 Baseball		
W Reds	+2000	} +3800
L Boston	-2200	
W Minnesota	+2000	
W California	+2000	
4-8 Baseball		
L San Antonio	-2200	} -8800
L Dallas	-2200	
L Philly	-2200	
L New Jersey	-2200	

"But this is bigger than just Pete Rose. There is a reason we haven't had another gambling case in 26 years. This case wasn't about Pete – this case was about protecting the integrity of the game. When we investigated (former Philadelphia Phillies star) Lenny Dykstra for gambling, he told us: 'Thank God for Pete Rose because now I know what the ultimate price was.' "

Rose officially re-applied for reinstatement to baseball last week, and newly appointed Major League Baseball Commissioner Rob Manfred said he would meet privately with Rose and consider the request. But Manfred also specifically said that he would review the report Dowd submitted in 1989 on Rose's gambling, as well as baseball's constitution and the actual agreement Rose reached with then-commissioner Bart Giamatti.

Following Rose's lifetime ban in August 1989, The Enquirer retained a copy of the original Dowd report. The Enquirer also kept thousands of the supporting documents released following the announcement.

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These documents include betting slips with Rose's handwriting on them which show wagers on baseball and the Reds, extensive phone records which track the bets and depositions with bookies and convicted cocaine dealers.

We reviewed the 225-page Dowd report and other documents again last week, and this much is clear: Rose has a very high legal hurdle to clear for reinstatement, especially if he wants to argue against the merits of the report or against baseball's rule against gambling, or to question the legitimacy of his agreement with Giamatti.

"Commissioner Manfred is a good man and is going about this in the right way, but it is true that people nowadays really need to understand what happened and why it happened," said Dowd, who is now retired from private practice and lives in Virginia. "And I hope that the commissioner will concentrate on that.

"And that there hasn't been a gambling case since Pete."



Baseball Commissioner A. Bartlett Giamatti gestures during a news conference, Thursday, Aug. 24, 1989, New York. Giamatti announced Cincinnati Reds Manager Pete Rose is banned for life from baseball for gambling on his own team, and that Rose may apply for reinstatement after one year.

(Photo: AP/David Cantor)

It never had to be this way

ROSE COULD HAVE WIPED THE SLATE CLEAN

Interviews with Dowd and others reveal this: Rose could have avoided his eventual conviction on tax evasion and his five months in prison – in addition to his lifetime ban from baseball – if he had only come clean in 1989.

It was fairly common knowledge back then that Giamatti was open to a suspension for Rose if the Reds manager would admit to gambling on baseball and enter treatment for his gambling addiction.

Yet, according to Dowd, it went further than that. Dowd now says he and Giamatti worked with federal prosecutors and even the FBI to work out a deal that any pending charges for tax evasion against Rose would be dropped if he came clean.

In addition, FBI agents worked behind the scenes to ensure that Rose's gambling debts with the New Jersey loan sharks and bookies that numbered in the hundreds of thousands would be forgiven, Dowd now says.

"We never got a chance to finalize the deal or figure anything out because Pete got in his own way and his lawyers shut us down," Dowd said. "And throughout the whole process, (Rose's attorney) Reuven Katz

Pete Rose's investigator: Never let him back in baseball and all of them thought they could strong arm us and Bart, this Yale professor. But they found out that Bart had steel in his backbone."

However extensive the deal would have been, Rose's stubbornness and bravado cost him, according to those close to him at the time. In addition to being banned from baseball, Rose eventually was convicted of tax evasion for not claiming income he won on horse racing and earnings from autograph signings at memorabilia shows.

He served five months at a medium-security prison in the same Illinois town that produced former Cleveland Indians catcher Ray Fosse. (That's the catcher injured in an infamous home-plate collision with Rose during the 1970 All-Star Game at Riverfront Stadium.)

Baseball great Pete Rose leaves Marion Federal Prison Marion, Illinois Monday, Jan. 7, 1991 after being released. Rose must now report to a halfway house in Cincinnati, Ohio. In the background is a guard tower. (AP Photo/Mark Jenkins)

(Photo: ASSOCIATED PRESS)

"I remember sitting down with him (Rose) at an autograph show as this was all going down," former Rose associate Tommy Gioiosa told the Enquirer last week. "Now remember, I'm already under indictment for my cocaine charge. I told him that – while I would never turn my back on him – he needed to take the heat for what he did and maybe he could get his life back.

"But the Pete Rose of that day and age wanted nothing to do with that. It was that ego and arrogance that made him such a great ball player and made him think that he would never get into trouble."

Katz was a well-known local lawyer who represented Rose as well as other entertainment and sports figures. Now retired, Katz declined to comment for this story when reached via email.

Rose declined to discuss specifics of his case or reinstatement with an Enquirer reporter when approached during an autograph signing session at a Las Vegas sporting goods and memorabilia store March 16. The Enquirer also reached out to Rose's business manager Joie Casey, who said he would discuss the story with Rose. But Casey did not then respond to the questions Saturday.

He did say that he would like to be reinstated into baseball and get elected into the Baseball Hall of Fame, but added that it was not his choice.

"That would be nice," Rose said. "We'll see."

Rose's gambling activities

WAS IT MORE THAN JUST BETTING ON OWN
TEAM?

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Rose wagered on up to 10 games a night at about \$2,000 a game, according to the betting slips included in the documents that Dowd relied upon as well as witness testimony.

Yet Rose was involved in much more insidious activities than gambling on baseball, according to interviews and documents. Even deeper than a manager betting on his own team to win. And even darker than gambling itself.

Did Rose bet on his own team to lose? Dowd says he and his two investigators uncovered evidence that he did, "although that evidence didn't reach the standard to include in our report."

Dowd says he saw a pattern: Rose didn't bet on the Reds when pitchers Bill Gullickson or Mario Soto were starting.

Paul Janszen and wife, Danita (Marcum) Janszen in 2013.

(Photo: Provided)

"That part is true ... Mario Soto was a hell of a pitcher," said Paul Janszen, baseball's key witness against Rose and the first to speak to Dowd and acknowledge Rose's gambling. "But he had been hurt and when he came back from that injury, Pete didn't have a lot of faith in him. As for Gullickson, he was just in one of those slumps that players get into."

But Janszen says he never made any bets against the Reds for Rose at any point.

Further testimony in the documents shows that when the Riverfront Stadium scoreboard was inoperative or down for repairs, Rose would communicate from the dugout during games using hand signals to get information on the night's results from around the league.

BRI No. 39-0064

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On February 26, 1989, Paul Janszen was contacted at 5668 Springdale, Cincinnati, Ohio, and, in the presence of Danita Marcum, furnished the following information to Kevin M. Hallinan and Joseph E. Daly:

Janszen worked for Queen City Barrel Company selling steel drums until 1986. His father had been an executive with the company until 1986 when it changed hands and his father quit. Janszen said he controlled 80% of the drum sales even though the company had 15 salesmen.

After leaving the drum company he started his current business which is selling baseball memorabilia. He started this business by going to baseball card shows and contacting players to get their autographs on balls, caps, bats, photos and other items. He now has about 30 to 40 players that he obtains autographed items from. He pays the players a certain amount when he obtains the autographs and resells the items at a marked up amount. He mainly sells the items through advertising in the Sports Collectors Digest and sells by mail order.

Michael Bertolini also was in this same business. Bertolini took purchasers for hundreds of thousands of dollars by keeping the money they would send in to buy memorabilia and not mailing the merchandise. Janszen has received many calls from angry customers demanding their merchandise as they recognized Janszen's 513 area code as the same one Bertolini used and they thought Janszen was connected with Bertolini. The name of Bertolini's company is Hit King, which stands for Pete Rose. Bertolini also works for a company called Capital Cards when putting on his baseball card shows. Janszen believes Rose met Bertolini in early 1986.

In 1987 when the Reds scoreboard was not working properly and did not show the scores of the other games being played, Rose would signal Janszen from the dugout, asking how he (Rose) was doing on his betting. Janszen would call a 900 number or a 312 area code number to get the scores and signal the results to Rose in the dugout.

In 1987 Bill Bergesch was with the Reds and Janszen would sit in on discussions between Rose and Bergesch when they talked about trading players. Both Bergesch and Rose felt their jobs were not secure at that time. Rose introduced Janszen to Bergesch.

Janszen was introduced by Rose to the Reds players at spring training in 1987. After the incident in the hotel in Cleveland

"That was just silliness ... he gave me seats behind home plate and I could see him, and he would just shrug as if to say 'How am I doing?'" Janszen said. "And I would go and dial the 1-800 number and get the scores and come back and either give him a thumbs up or down. He was just bored because he wasn't on the field anymore."

Dowd says he stopped digging after gathering the proof necessary to substantiate the gambling allegations. But he says other evidence came to light that Rose was involved in buying cocaine as a way to support his gambling habit and pay off his debts.

Dowd's investigators interviewed Don Stenger, a convicted cocaine dealer, in April 1989. Stenger met Rose through Janszen and Gioiosa. Stenger's 1989 federal sentencing sheet on cocaine and tax evasion charges is included in the documents.

Stenger told investigators that he got cash to buy cocaine to later sell from Janszen, Gioiosa and others, not from Rose. He assumed Rose knew he was dealing drugs.

PRIVILEGED AND CONFIDENTIAL/ATTORNEY WORK PRODUCT
MEMORANDUM

TO: Commissioner of Baseball File
FROM: Terence J. Lynam *[Signature]*
DATE: April 11, 1989
RE: Interview of Don Stenger

On April 6, 1989 Kevin Hallinan and I interviewed Don Stenger at the office of his attorney, Carl Poplar, in Cherry Hill, New Jersey. Stenger was born January 9, 1955, in Cincinnati. He grew up in Cincinnati and lived there through 1985 when he moved to New Jersey to run a Gold's Gym there. He is currently employed as the operator of Gold's Gym in Cherry Hill. He has a small ownership interest in the gym which increases year by year and can ultimately amount to 49% of the business after many years.

Stenger was a competitive body builder until 1983. He knew Michael Fry to say hello beginning around 1981 and 1982. Stenger won a national body building title in 1983 and Fry knew Stenger because of his reputation in body building. Michael Fry owned Gold's Gym in Cincinnati and Stenger went to work with Fry at the gym. Gold's Gym opened in Cincinnati around the end of 1984. Prior to going to work at the gym Stenger already had a cocaine habit. Fry was the sole owner of Gold's Gym. Stenger ran the gym on a day to day basis and was a instructor. Fry was a cocaine distributor. In early 1985

"Stenger stated that Rose was never involved in cocaine in any way and was never involved and never expressed any interest in financing any cocaine deals," the summary of that interview says.

Janszen testified in 1989 that Rose knew about the cocaine buy. He now says that while Rose never dealt cocaine directly, he did provide cash to buy it.

"What you have to understand is that Pete did not want to get into the drug business, but that the opportunity just presented itself," Janszen told The Enquirer last week. "Stenger was short on cash and was on his way to Florida to buy more.

"And Pete said 'Hey, what kind of return can you get?' Stenger said you could double your money in a month or two weeks. And he had a couple

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hundred thousand dollars lying around – he got it out of a bag he had stashed in the drop ceiling in his basement."

Gioiosa disclosed Rose's involvement in an article in Vanity Fair

(<http://www.vanityfair.com/news/2001/09/peter-rose-200109>) published in 2001, saying in that article that Stenger and Rose had indeed discussed the possible cocaine deal. Gioiosa also said then that he and Stenger later picked up cash from Rose's house from a housekeeper there, and Stenger later returned with another bag of cash.

In that article, Stenger denied the allegations.

The Enquirer asked Gioiosa directly about the alleged cocaine connection.

Gioiosa, a former junior college player and a friend of Rose's son, Pete Jr., was the only Rose friend who did not testify against him – either to Dowd or to law enforcement.

"Pete needed money to invest and pay back his debts," said Gioiosa, who served 38 months of a five-year federal sentence for conspiracy to distribute cocaine. Now 57, Gioiosa works as a nutrition supplement salesman in Ormond Beach, Fla.

When asked again about Rose and any connection to cocaine dealing, Gioiosa declined to answer yes or no.

"Let's just say it was a dark time for everyone. Pete was not a drug dealer but he needed to do whatever it took to feed his (gambling) addiction."

Gioiosa also says he doesn't regret holding back on what he knew about Rose.

"If I had spilled my guts, Pete probably would have gone to prison for a long time," Gioiosa said. "And baseball would have pounded a lot more nails into his coffin in terms of coming back than there are now.

"But Pete was sick with addiction. That drove all his actions ... he wasn't looking to be introduced to folks in New York connected to the mob to take on his large debts. That's what his sickness forced him to do."

Dowd said his report clearly shows that Rose bet while he was player-manager for the Reds in 1986. Rose has continually denied betting on baseball as a player, even though he acknowledged in 2007 during an ESPN radio interview that he bet on the Reds "every night" as a manager.



Thomas P. Gioiosa, former housemate of former Cincinnati Reds manager Pete Rose, leaves the Federal Building in Boston in this April 7, 1989

(Photo: AP/Jon Chase)

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The documents also indicate that at one point, Rose owed at least \$250,000 to a loan shark in New Jersey with ties to organized crime families in New York, with Dowd now saying those debts could have been as high as \$500,000. One document from that time states that a bookie who had talked to Dowd, a private detective and the head of MLB security, mysteriously suffered a broken arm soon after that interview – "while throwing a baseball" – and that he had probably been "discouraged" from speaking further.

Cincinnati Reds manager Pete Rose talks with reporters following the Cardinals Reds baseball game in St. Louis Sunday, May 14, 1989. The Reds manager, suspected of gambling talked with reporters after every game during a news conference, but only discussed the game and baseball in general.

(Photo: AP/AI Behrman)

Janszen says that Rose indeed was betting in 1986 when he was player-manager. He also says he was "shocked" to find out that Rose was not only laying bets with local bookies using him as the middleman, but also with bigger players on the East Coast at the same time.

ORIGINAL	
1	PRIVILEGED AND CONFIDENTIAL ATTORNEY WORK PRODUCT
2	OFFICE OF THE COMMISSIONER
3	MAJOR LEAGUE BASEBALL
4	350 PARK AVENUE
5	NEW YORK, NEW YORK
6	
7	In the Matter of:
8	Peter Edward Rose, Manager,
9	Cincinnati Reds Baseball Club
10	
11	
12	Deposition of PAUL G. JANSZEN taken in
13	Cincinnati, Ohio, on April 4, 1989, at 12:20 o'clock p.m.
14	
15	APPEARANCES:
16	JOHN M. DOWD, Esq.
17	Special Counsel for the Commissioner
18	Heron, Burchette, Ruckert & Rothwell
19	Suite 700
20	1025 Thomas Jefferson Street, N.W.
21	Washington, D.C. 20007
22	
23	Gary L. Baldwin
24	Certified Verbatim Reporter/Notary Public

"Double-booking bets, that was just insanity," Janszen said. "But that just shows how this was a sickness for him and is to this day.

"And the problem with Pete is that unlike other addicts, he had a support system in terms of making money and all these fans that he has never hit true rock bottom."

To Dowd, it was what Rose's gambling had done to the game of baseball that was at the heart of why the investigation and subsequent ban was so important.

"To be honest, it doesn't really matter whether he bet for or against the Reds, or as a player or just a manager," Dowd said. "What matters is that, by the end, he owed a half a million to some pretty unsavory people, who were actually in the clubhouse from time to time.

"Imagine a half a million mortgage over your head every time you walked out on the field to go to work and wondering how you were going to pay that off, especially to those kinds of people," Dowd said. "That's how insidious this had become."

The decision

RULE 21(D)(2) AND THE GIAMATTI AGREEMENT

The other legal reviews Manfred has pledged to undertake include Rule 21 of baseball's constitution, specifically Section (d), Subsection (2).

That rule was written in the wake of the Chicago "Black Sox" scandal of 1919. Professional gamblers paid off a number of players from the Chicago White Sox to throw games and allow the Cincinnati Reds to take the 1919 World Series. (That included all-time great "Shoeless" Joe Jackson, although supporters say that while he took the money, he played his best in the series.)

Horrified at what had become of the nation's pastime, the owners of the teams at the time appointed former federal judge Kenesaw Mountain Landis as the sport's first commissioner. He immediately banned the players involved and created the rule that stands now. In fact, a sign with the rule is posted in every minor and major league clubhouse in the nation.

In the former Reds clubhouse in Riverfront Stadium, the sign hung near the players' mailboxes, and close to the clubhouse phone, in a hallway that separated a group of lockers. This was a location where Rose would have seen it every day. Currently it hangs in a frame as one enters the Reds clubhouse at Great American Ball Park.

The rule includes no provision for appeal or reinstatement, apart from a standard grievance process through the contract with the players' union that is addressed elsewhere (and that would not cover non-players such as managers).

"And to me, being put on the permanently ineligible list means you are there for life," said Dowd.

Manfred also said he wants to review the agreement Giamatti and Rose reached in 1989. That five-page document states the specifics of the investigation and outlined Rose's chances to respond. It also clearly states that "the Commissioner will not make any formal findings or determinations on any matter including without limitation the allegation that Peter Edward Rose bet on any Major League Baseball game."

Given that Giamatti explicitly said at the press conference announcing the deal that he felt Rose had indeed bet on baseball, Rose may have a slender opening all these years later, according to one legal expert.

"Major League Baseball made a promise not to issue any formal findings, but you could make the argument on paper that baseball has nonetheless issued formal findings throughout the years, between what Giamatti said as well as Dowd's



Then-Cincinnati Reds manager Pete Rose in the dugout during an away game in 1989.

(Photo: Enquirer file)

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statements that Rose was guilty as charged," said Jeffrey Standen, dean of the Chase School of Law at Northern Kentucky University. Standen published a paper in 2010 that argued for Rose's reinstatement.

"Basically, Rose got nothing in return for this deal and MLB abrogated its promise to him," Standen said.

26 years later


DOWD REPORT STANDS TEST OF TIME

As for the Dowd report itself, it came as a result of a three-month investigation into Rose's gambling, culminating in the 225-page report and supporting documentation. Dowd and his two detectives interviewed 110 witnesses and collected thousands of pages of documents all while battling lawyers and banks.

"That report was rock solid; there are no holes there," said noted Harvard University law professor Alan Dershowitz, who argued on behalf of Major League Baseball in a mock trial televised by ESPN in 2003. Dershowitz said he spent several weeks going over the report and documentation to prepare for the mock trial, which he wound up losing as the mock jury voted 8-4 to reinstate Rose.

"Even though that was the result, I can say that the legal evidence in this case is overwhelming and there is no way to argue the merits and facts of the case if you are Pete Rose," Dershowitz said. "If I were him, he needs to basically ask for compassion. Reading all that documentation, there is no way to get around what he did and how it impacted the game."

Yet as influential as they were, Dowd's findings were never fully published until 1999, when the University of Mississippi law school printed all 225 pages in its law journal.



FBI 3 rd July			
W 25 ANKS 2nd	-200	+25	
W 25 ALBANE	-64	25	
L 25 DFL	-7 1/2		-35
L 15 CHAF	-4 1/2		19.5
W 25 DET	P	25	
W 25 CINTI	-64	25	
W 25 PHO	-8	25	
W 15 PHILLY	+5 1/2	16.5	
W 15 PIT	P	15	
L 15 ATL	+5 1/2		15
L 5 TORO	1 st 2 nd PP		11
W 5 WBOX	+5 1/2	5.5	
		162	80.5
		80.5	
		91.5	

"I remember reading that anytime a sportswriter wrote a column saying Pete got a raw deal, that John Dowd would mail him a Xerox copy of the report ... and, lo and behold, a week later, there would be a column retracting the previous position," said University of Mississippi law professor Ronald Rychlak, who wrote the introduction for that issue. "That's why we published it. And I remember trying to be balanced and fair when I wrote what I did, but you can't come away from reading that report and not have a strong position."

Those who went through the investigation process agree. Gioiosa acknowledges that Dowd "certainly did his homework."

"All Mr. Dowd did was lay out the facts, and they were pretty much all right," he said.

Janszen says that he was initially leery of Dowd and his investigators, but the process produced "the truth and all the facts."

"The title of that report should be integrity," Janszen said. "It is as accurate now as it was then. You could not find better men than the ones who did this. And people need to know the truth of what went on."

Dowd says that not only was the report the subject of follow-up investigations by major news outlets such as Sports Illustrated and The New York Times, but by subsequent MLB commissioner Bud Selig. In fact, Selig was strongly considering reinstating Rose in the early 2000s.

JUNE 22, 1989: Investigator John Dowd testifies before Judge Norbert Nadel that Baseball has evidence Pete Rose bet on Reds' games.
(Photo: The Enquirer/Glenn Hartong)

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